Misappropriation of Funds by UTI for buying Global Tele Shares

63. SHRIMATI JAYAPRADA NAHATA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that UTI paid Rs. 468.71 crores to buy Global Tele Shares whose market value is only Rs. 85.22 crores; and

(b) if so, the reasons for not making proper internal analysis before the investments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) UTI has intimated that the total cost of its investment in equity shares of Global Telesystems (through primary & secondary investments) as on 30-06-2001 was Rs. 468.71 crore, with a corresponding market value of Rs. 85.22 crore.

(b) UTI has intimated that the major part of the investment was made in the year 1999-2000. The audited financial figures reported by the Company in the year 1999 indicated a growth of 12.6% in net sales and growth of 57.38% in net profits earned by the Company.

Tax scandal in Mohan Nagar Sehkari Avas Samiti

64. SHRI SURYABHAN PATIL VAHADANE: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received representations from various parties/persons to enquire into the frauds of funds thereby tax evasion by the Mohan Nagar Karamachari Sehkari Avas Samiti Ltd., Mohan Nagar;

(b) if so, the salient features thereof;

(c) what action has been taken by Government to order an enquiry by an Independent Agency like CBI, etc.; and

(d) by when the tax scandal is likely to be solved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Yes, Sir. Representations have been received from Shri Suryabhan Patil

Vahadane, MP(Rajya Sabha) and Shri Ram Sagar, MP(Lok Sabha) regarding misappropriation of funds and tax evasion by the Mohan Nagar Karamchari Sehkari Avas Samiti Ltd., Mohan Nagar by not fully disclosing the sale consideration of plots sold by its office bearers.

(c) and(d) A survey was conducted by the Income Tax Department on 15th February, 2001 at office of the Samiti. Scrutiny of its accounts has also been taken up by reopening of its Income Tax assessment for Assessment Year 1990-1991 to 2000-2001. Outcome of scrutiny shall be known only on completion of assessment for these years which are to be completed before statutory time limit of 31st March, 2003.

Tax Evasion by Mohan Nagar Karamchari Sehkari Samiti

65. SHRI SURYABHAN PATIL VAHADANE: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 244 given in the Rajya Sabha on 20th November, 2001 and state:

(a) whether any representation has been received by Government in regard to concealing of the facts of misappropriation of funds and tax evasion by Mohan Nagar Karamchari Sehkari Samiti Ltd., Mohan Nagar;

(b) if so, the details thereof; and

(c) what action Government have taken/propose to take in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Yes, Sir. Representations have been received from Shri Suryabhan Patil Vahadane, MP(Rajya Sabha) and Shri Ram Sagar, MP(Lok Sabha) regarding misappropriation of funds and tax evasion in case of this Samiti by not fully disclosing the sale consideration of plots sold by its office bearers.

(c) A survey was conducted by the Income Tax Department